Controller John Chiang
California State Controller's Office

300 Capitol Mall
Sacramento, CA
95814
916.445.2636
www.controller.ca.gov

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Contact: Jacob Roper
916-445-2636

Controller Releases July Cash Update

SACRAMENTO - State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in July 2013, the first month of the State's fiscal year. Revenues for the month totaled $4.8 billion, coming in below estimates contained in the state budget by 6 percent.

"Reflective of the State's improving fiscal health, California's upcoming cash flow borrowing is shaping up to be the smallest in four years," said Chiang. "While this month's numbers disappoint, reaction must be tempered by the fact that July is often the State's least significant revenue collection month."

According to Department of Finance estimates, the month was supposed to deliver $5.1 billion in revenues.

Personal income taxes for the month came in $273 million below (7.0 percent) estimates outlined in the state budget. Corporate taxes for July were $10.1 million above (4.9 percent) estimates, while sales tax receipts were up $7.1 million (0.9 percent).

The State ended the month of July with a General Fund cash deficit of $10.9 billion, which was covered with internal borrowing from other funds.

The Controller has projected that the State will need approximately $5.5 billion in short-term external borrowing for the current fiscal year. This annual borrowing comes through a Revenue Anticipation Note (RAN) and is typically repaid in May or June. This will be the smallest cash-flow borrowing in the State's recent history (2012-13: $10 billion, 2011-12: $6.4 billion, 2010-11: $10 billion, 2009-10: $8.8 billion).

For more details on today's report, read 2013's financial statement and summary analysis.

Read a version of this press release in .

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